

Ohio Senate Finance Committee House Bill 96 Interested Party Testimony Melinda Witten, President and CEO of the Ohio AgriBusiness Association June 5, 2025

Chairman Cirino, Vicechair Chavez, Ranking Member Hicks-Hudson, and members of the Senate Finance Committee, my name is Melinda Witten and I am the president and CEO of the Ohio AgriBusiness Association. ("OABA"). OABA is a membership-based state trade association, originally established in the late 1800s to represent the best interests of businesses that serve Ohio agriculture. Today, our membership includes the manufacturers and wholesale/retail suppliers of plant nutrient and protection materials, the grain warehousing and marketing industry, the feed and seed industry, as well as companies providing equipment, financing, insurance, consulting, and other products and services for the agribusiness industry.

OABA has two important issues in the budget that will greatly impact our members. The first issue is the elimination of the sales tax exemption for the sale and installation of agricultural tile and the sale and installation of portable grain bins. Such an elimination will devastate farmers and agribusinesses across the state. Farmers buy and install (or have installed) hundreds of miles of agricultural tile each year. Such tile is vital for draining farm fields and for replacing old clay tiles that many times are crushed or blocked. Ohio and its farmers have invested countless millions of dollars to keep nutrients from leaving farm fields. Tile assists by preventing pooling of nutrients in water that otherwise would run off haphazardly instead of through a systematic tile structure. Removing the sales tax exemption will result in a gigantic cost for farmers that will dissuade them from replacing or tiling many of their fields, which will reduce agricultural production and thus, revenue to the state.

Similarly, if the sales tax exemption for the sale and installation of portable grain bins is eliminated, like with tile, farmers could see sales taxes up to 8.75 percent, resulting in thousands of additional costs to Ohio's farmers and further increasing their financial burden. This elimination will likely result in a reduction of on-farm grain storage capacity, forcing them to sell their grain immediately and at a possible lower market price.

The elimination of the sales tax for both of these staples of agriculture will result in minimal tax revenue to the state that will be vastly outweighed by the terrible impact on Ohio's farmers. We encourage the Senate Finance Committee to reverse course and remove the elimination of these sales taxes on tile and grain bins.

Our second issue is changes to Ohio's pesticide laws proposed in the budget were removed with the adoption of the sub bill. OABA, like the other commodity groups, has a great working relationship with the Ohio Department of Agriculture's Division of Plant Health, which administers and enforces the pesticide laws in our state. Plant Health's staff provide educational training and testing for our members and are readily available to answer questions or concerns that may arise. OABA supports a proposed amendment to allow commercial applicators and private applicators to supervise noncertified employees to apply restricted use pesticides in accordance with training to be established by the director.

It is in the interest of OABA's members and for all of agriculture that Ohio retains its delegated authority to administer and enforce the pesticide law through ODA. Because of this, we respectfully request that this committee supports such amendment.

Thank you for your time and consideration of this important request.

Melinda Witten, President & CEO Ohio AgriBusiness Association